



Marijuana Policy Project
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April 29, 2021

RE: Testimony in support of Article 11, H 5452, and H 5453

Esteemed members of the House Finance Committee:

Cannabis legalization is now widely recognized as a sensible, mainstream policy. Eighteen states have adopted laws to legalize, regulate, and tax cannabis for adults — with seven of those enacted in the last six months. These reforms are accompanied by overwhelming public support: the latest national Gallup poll found that 68% of Americans support legalizing cannabis for adults.¹ Furthermore, virtually all of Rhode Island's neighboring states in the Northeast have either already passed a legalization law or are on the cusp of doing so soon.

Legalizing cannabis is a popular policy that will create many social and economic benefits for Rhode Islanders.

- Cannabis legalization laws have generated more than **\$7 billion in new tax revenue** for states since 2014. Individual state revenue gains can viewed here: <https://www.mpp.org/issues/legalization/marijuana-tax-revenue-states-regulate-marijuana-adult-use/>
- The legal cannabis market now supports **321,000 full-time jobs** in the United States, and it continues to be the fastest job sector in the country.² Employment opportunities go beyond cultivation and retail stores. Ancillary businesses, such as security firms, laboratories, attorneys, accountants, and construction workers, also benefit. **Based on the per capita job growth seen in other legalization states, Rhode Island would likely create 2,000 - 3,000 new jobs by passing a legalization law.**
- **Arrests for cannabis are plummeting** following passage of legalization laws, keeping tens of thousands of people out of the criminal justice system and preventing them from receiving criminal records that harm them and their families and hinder their economic opportunities.³ Policies that expunge past criminal records will also help thousands of Rhode Islanders rejoin the workforce, which will lead to an increase in tax revenue for

¹ <https://news.gallup.com/poll/323582/support-legal-marijuana-inches-new-high.aspx>

² <https://leafly-cms-production.imgix.net/wp-content/uploads/2021/02/13180206/Leafly-JobsReport-2021-v14.pdf>

³ <https://www.marijuanamoment.net/marijuana-arrests-decline-nationally-for-first-time-in-four-years-fbi-data-shows/>



the state.

- A 2020 survey found that **residents of legalization states widely view legalization as an success.**⁴ Another sign of legalization's success is the fact that no state has attempted to repeal their legalization law after implementation.



⁴ <https://today.yougov.com/topics/economy/articles-reports/2020/05/13/recreational-marijuana-poll>



- **Public health and safety benefits of legalization**
 - **Teen cannabis use:** Colorado and Washington conduct biannual surveys involving tens of thousands of high school students since both states legalized adult-use cannabis in 2012. The results have shown modest *decreases* in rates of youth cannabis use. Furthermore, in July 2019, the *Journal of the American Medical Association* published a major report analyzing federal data collected from more than 1.4 million high school students. The researchers found that legalization of marijuana for adults was associated with an 8% *decline* in past 30-day marijuana use and a 9% *decline* in frequent use among teens.⁵
 - **Opioid-related overdose deaths:** Numerous peer-reviewed studies have found that increasing legal access to cannabis is associated with lower rates of opioid-related overdose deaths. Authors of research published in 2017 wrote, "Colorado's legalization of recreational cannabis sales and use resulted in a 0.7 deaths per month reduction in opioid-related deaths. This reduction represents a reversal of the upward trend in opioid-related deaths in Colorado."⁶ Another paper published by the *British Medical Journal* in 2021 found that, "Higher medical and recreational storefront dispensary counts are associated with reduced opioid related death rates, particularly deaths associated with synthetic opioids such as fentanyl."⁷
 - **Research suggests that legalizing marijuana frees up police officers' time and resources to focus more on serious crimes.** In a 2018 study, researchers at Washington State University found that police solved significantly more violent and property crimes after passage of legalization laws in Colorado and Washington.⁸ A 2020 report funded by the U.S. Department of Justice reached the same conclusion: "Our research on clearance rates in both Washington and Colorado indicates that after legalization occurred the clearance rate for several crimes improved."⁹

⁵ For a detailed overview of the the most recent studies and all publicly available data, visit <https://www.mpp.org/issues/legalization/teen-marijuana-use-does-not-increase/>

⁶ Livingston MD, Barnett TE, et al. Recreational Cannabis Legalization and Opioid-Related Deaths in Colorado, 2000-2015. *Am J Public Health*. 2017 Nov;107(11):1827-1829.

⁷ Hsu, Greta, et al. Association between county level cannabis dispensary counts and opioid related mortality rates in the United States: panel data study. *BMJ*. (2021)

⁸ Makin, D.A., et al. (2018). Marijuana Legalization and Crime Clearance Rates: Testing Proponent Assertions in Colorado and Washington State. *Police Quarterly*.

⁹ Stohr, Mary K., et al (2020). Effects of Marijuana Legalization on Law Enforcement and Crime: Final Report



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Legalization is an opportunity to stop harms, rebuild communities, and promote social equity

Our nation is in the middle of an important conversation about racial disparities and the legacy of systemic discrimination against communities of color. **Cannabis legalization is an excellent opportunity for Rhode Island to promote social equity and repair harms caused by cannabis criminalization and other policies have disproportionately affected communities of color.**

Gov. McKee has publicly indicated that his office views cannabis reform through a social justice lens and has emphasized the need to address past harms caused by cannabis criminalization. This commitment to social equity should be acknowledged and applauded. In the spirit of that approach, our testimony seeks to highlight important social equity provisions of Article 11 while offering suggestions for ways to strengthen various aspects of the legalization proposals as they pertain to fairness, inclusion, and racial justice.

Budget Article 11

Praiseworthy social equity provisions

- **Impact study on the medical cannabis program (pg. 171, § 21-28.11-14)**
 - The bill directs regulators to publish a study that examines and makes recommendations relating to how the implementation of an adult-use cannabis market may impact access and other aspects of the medical cannabis program.
- **Cannabis Reinvestment Task Force (pg. 175, § 21-28.12-4)**
 - The bill establishes a 15-member Cannabis Reinvestment Task Force, led by the Dept. of Business Regulation and the Office of Health and Human Services to provide recommendations specifically relating to the long-term reinvestment of adult use cannabis revenues in programs that benefit local communities, with a focus on racial equity on economic empowerment.
- **Reserving a minimum of 20% of retail licenses for minority business enterprises (pg. 177, § 21-28.12-5(c))**
 - The bill requires that at least 20% of retailer licensees be qualified minority business enterprises as defined in chapter 14.1 of title 37.



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- Disparity study on MBE market participation (pg. 177, § 21-28.12-5(d))
 - The bill directs regulators to issue a report by Jan. 1, 2023 examining the extent to which minority-owned businesses have been able to participate in the adult use cannabis market.
- Reserving a minimum of 50% of supporting marijuana establishment licenses for minority business enterprises (pg. 185, § 21-28.12-7)
 - The bill requires that at least 50% of specialty licenses (e.g. craft cultivators, delivery services, social use facilities, etc.) be reserved for qualified minority business enterprises.

Recommended equity amendments

- Permit adults to cultivate up to six plants in their homes (with up to 12 plants per household) and remove penalties for home cultivation (pg. 167, § 21-28.11-6(b))
 - Reasoning: Massachusetts and many other legalization states allow limited home cultivation, and it runs counter to the reform goals of the bill to maintain criminal penalties for growing a small number of cannabis plants. A maximum of six plants provides sufficient legal protections for hobbyists (similar to those who homebrew craft beer) while deterring unregulated cultivation at larger scales.
- Remove restrictions on cannabis consumption in low-income and multi-unit housing complexes (pg. 169, § 21-28.11-8)
 - Reasoning: This policy will disproportionately subject low-income people to housing insecurity and evictions. Because public consumption is also prohibited, this could result in there being no legally permissible space for many low-income people to vaporize or smoke cannabis. (The current language would also apply these restrictions to registered medical cannabis patients.)
- Remove language that allows employers to terminate workers who test positive for cannabis (pg. 170, § 21-28.11-9(e))
 - Reasoning: There is currently no widely-available, scientifically reliable method for chemically detecting impairment from cannabis use, and THC can remain in a person's system for many days or even weeks after prior use. We have significant worries that this provision will lead to workers being terminated unfairly for off-the-clock, lawful cannabis use. Furthermore, this policy would almost certainly impact low-income people and people of color disproportionately.



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- Make penalties for distributing cannabis to a minor equivalent to penalties for distributing alcohol to a minor (pg. 171, § 21-28.11-12).
 - Reasoning: The current language subjects anyone, including another minor, to a felony offense for transferring any amount of cannabis to someone under 21 (this would apply to a 20-year old who shares a cannabis joint with their 20-year old roommate). There is already racially-biased enforcement of cannabis criminalization laws, and we are very concerned this will perpetuate the same inequities. An alternate set of penalties could be substituted with age-dependent rules that exist for alcohol violations in § 3-8-11.1 and § 3-8-11.2.
- Reduce felony penalty for unlawful marijuana extractions (pg. 171, § 21-28.11-13)
 - Reasoning: While we believe the intent is to deter the dangerous use of flammable solvents, we are again concerned about the uneven enforcement of harsh criminal penalties for cannabis-related activities. This would also overly restrict extractions that use safe, non-flammable solvents such as butter.
- Remove disqualifying barriers to owning or managing a cannabis business for people with felony drug convictions (pg. 180, § 21-28.12-5(p); pg. 184, § 21-28.12-6(l); pg. 187, § 21-28.12-7(f))
 - Reasoning: Enforcement of drug prohibition laws disproportionately affect people of color. Therefore, this provision runs counter to the racial equity goals of the bill by disproportionately preventing people of color from owning or operating a cannabis business.

H 5452 and additional social equity provisions

H 5452 contains many aspects of a comprehensive cannabis equity model, and we urge the committee to pass this bill and incorporate its provisions, along with others, into Rhode Island's legalization policy.

Expanded expungement policies for past cannabis offenses

Article 11 does not contain any language related to expunging prior criminal records related to cannabis. We urge lawmakers to include language that provides for a process of automatic expungement, which does not require individuals with past criminal records to initiate the process.

The implementation of an automatic expungement system will make the process simpler for state agencies while relieving individuals of the burden of engaging in a confusing and



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cumbersome legal process. The positive social impact of an automatic expungement policy will be far greater, and tens of thousands of Rhode Islanders will see barriers in employment, housing, and other areas lifted.

Community investment of cannabis revenue

Given that communities of color have been disproportionately harmed by cannabis criminalization, there is a compelling argument for the allocation of cannabis tax revenue in a way that disproportionately helps these communities. Several states that have legalized cannabis (or will soon) dedicate a significant portion of the cannabis revenue to support community investments in areas that are underserved or have been hardest hit by punitive drug enforcement policies. **The following states' set aside a significant portion of their cannabis revenue for community reinvestment:**

- **Arizona:** 7%
- **Illinois:** 25%
- **California:** \$50 million per year (in addition to social equity programs funded by local taxes)
- **New York:** 40%
- **New Jersey:** 59.5%

Rhode Island can similarly dedicate a substantial portion of cannabis revenue to programs and purposes designed to support historically disenfranchised areas, where arrest rates for cannabis have far exceeded those in white and more privileged communities of the state.

A robust social equity licensing program to create a diverse and inclusive market

Article 11 includes some provisions to support cannabis businesses owned and controlled by people from historically-disenfranchised communities (see above), we urge lawmakers to consider strengthening and expanding these programs. There are many examples in other legalization states, such as Illinois, New York, and New Jersey, that have adopted policies to encourage and promote a more diverse and equitable industry, such as providing exclusive access to certain kinds of licenses, expedited application processing, forgivable loans for business start up costs, mentorship programs, and technical assistance. It is crucial that people who have been most harmed by cannabis criminalization be given a reasonable chance of participating in the nascent legal cannabis market.

We strongly support H 5452's intent of establishing a goal to issue at least 50% of new licenses to applicants who are from historically underrepresented and disadvantaged communities.



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Full decriminalization of cannabis

Alcohol, which is objectively more dangerous and deleterious for society than cannabis, is not included in the Rhode Island Controlled Substances Act (§ 28-21). The social justice and equity goals of Article 11 include minimizing the harm that results from cannabis-related arrests and penalties. In that spirit, we urge lawmakers to remove “marijuana” and “marihuana” from the state’s Controlled Substances Act and provide a list of non-criminal and modest penalties (such as confiscation and/or community service) directly in the legalization statute for activities that are not permitted.

Greater representation of people directly impacted by punitive drug laws

It will be difficult, if not impossible, to design and implement a regulatory system that advances social equity and restorative justice if people who have not been directly affected are not given a voice to influence how the cannabis industry is shaped and regulated. Whether it is the Cannabis Control Commission, the existing Office of Cannabis Regulation within the Department of Business Regulation, or another agency, we urge lawmakers to ensure there is significant representation from people who have seen firsthand the damaging effects of punitive drug laws.

H 5453 will strengthen Rhode Island’s medical cannabis program

[H 5453](#) would implement many important reforms to support social equity and low-income patients in the medical cannabis program. These provisions include:

- Directing the Dept. of Health to establish rules to create a hardship designation for low-income patients to help them afford medical cannabis.
- Eliminating the cumbersome and costly “plant tag” system for patients and caregivers who cultivate their own medicine at home.
- Expanding the definition of a qualifying medical condition to provide doctors more discretion to recommend medical cannabis for a variety of debilitating health conditions.
- Prohibiting state agencies and employees of the Rhode Island government from discriminating against patients solely for their use of medical marijuana or status as a patient and requires all official rules, regulations, and policies issued by state agencies to make reasonable accommodations for patients’ medical marijuana use.



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- Reverting the annual Compassion Center license fee (currently \$500,000) to the original fee of \$5,000 annually. (These fees end up being passed on to patients in the form of increased costs.)
- Eliminating the 4% Compassion Center surcharge applied to medical marijuana sales.
- Removing ownership and employment discriminations against people with prior drug offenses on their records.

Rhode Island lawmakers have an opportunity this year to make significant advancement in its cannabis policies. Adopting legalization with a focus on social equity is a move that will be supported by an overwhelming majority of Rhode Island voters — and it will create a wide range of social and economic benefits for the state.

I am available to speak with any of you at your convenience to discuss this important issue further. Thank you for your time and consideration.

Sincerely,

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